

Craig City School District

Business Manager Report

12.10.25

Updates from the Business Office

FY25 Audit Update

Due to the federal government shutdown, the release of the 2025 OMB Compliance Supplement by the Office of Management and Budget (OMB) was delayed. Auditors use this supplement to review federal funding compliance. On December 1st, we received notification from the auditors that the OMB Compliance Supplement was released and the audit can now be finalized. They requested all check registers and board meeting minutes up through 12/1/25, and will move forward with preparing the final audit report. The final report will be shared with the Board once received. We do not anticipate any changes from the draft audit included with tonight's agenda.

Report to DEED: Fund Balance as of October 31, 2025

For the past two years, the state legislature has required school districts to submit fund balance data twice annually. The first report shows data as of October 31, 2025. The second report will reflect data as of December 31st. CCSD's submitted report for October 31st shows an unreserved fund balance of \$326,086, which is nearly identical to the District's budgeted beginning fund balance of \$325,525. Please keep in mind this is not a full or fair representation of the District's financial position. Many revenues and expenditures occur later in the school year, meaning the October 31st amount should not be directly compared to the District's fiscal year-end balance on June 30, 2026.

The second required report, reflecting data as of December 31st, will be submitted in January.

Local Foods for Schools Grant

CCSD has again received grant funding for the Local Foods for Schools (LFS) grant for the FY26 school year. The original award was \$1,530 which needed to be spent prior to September 30th. The District was recently notified of the second round of funding, estimated at \$741.55, to be spent prior to March 31, 2026. Kristine was able to purchase smoked king salmon from Wildfish Cannery with the original award, and will be on the lookout for more delicious local foods for the students to enjoy with the second round of funding.

If you would like to learn more about the grant, I have attached the FY26 LFS Award document to this board report.

General Fund Updates:

Please see notes below followed by the Revenue and Expenditure Overview.

- As of November 30, 2025, the district is awaiting the 3rd quarter City Proposition 2 Sales Tax revenue from the City of Craig as well as the first local contribution payment.
- The district will receive three separate payments for Pupil Transportation during the school year. The first payment of \$32,553 was received in September. The second payment is due in December which will be based on the preliminary October average daily membership after count period. The third and final payment is expected in March 2026, and will be based on the final FY26 average daily membership.
- Revenue shown below for Food Service includes only September student counts. October's payment of \$28,736 arrived in December and is not reflected in this overview. Both October and November revenue will be included in January's board report.

Revenue Overview

| Fund | FY26 Budgeted Revenue | Actuals 10/1/25 through 11/30/25 | | ACTUALS YTD | | Remaining to be Received |
|--------------------------|-----------------------|-------------------------------------|---------|-------------|-----------|-----------------------------|
| 100 General Fund | \$ 8,289,378 | \$ | 646,713 | \$ | 2,327,542 | \$ 5,961,836 |
| 205 Pupil Transportation | \$ 97,660 | \$ | - | \$ | 32,553 | \$ 65,107 |
| 259 Food Service | \$ 249,376 | \$ | 28,387 | \$ | - | \$ 249,376 |

Expenditure Overview

| Fund | FY26 Budgeted Expenditures | Actuals 10/1/25 through 11/30/25 | ACTUALS YTD | Remaining to be Expended |
|--------------------------|----------------------------|-------------------------------------|--------------|-----------------------------|
| 100 General Fund | \$ 7,813,942 | \$ 1,327,590 | \$ 2,580,950 | \$ 5,232,992 |
| 205 Pupil Transportation | \$ 97,660 | \$ 15,623 | \$ 23,532 | \$ 74,128 |
| 259 Food Service | \$ 276,920 | \$ 55,646 | \$ 50,848 | \$ 226,072 |

Please let me know if you have any questions.

Melinda Bass

Business Manager

Craig City School District

CN-GNT-LFS26-013-Q2



Alaska Department of Education and Early Development
Child Nutrition Program
Local Foods for Schools FY2026
Attestation and Acceptance

rev 20250716



The Local Food for Schools Cooperative Agreement Program (LFS) awards funds to states for food assistance purchases of domestic local foods for distribution to schools. This program will strengthen the food system for schools and childcare institutions by helping to build a fair, competitive, and resilient local food chain, and expand local and regional markets. LFS is a US Department of Agriculture (USDA) Agricultural Marketing Services (AMS) grant; in Alaska, LFS is administered by the Alaska Department of Education and Early Development (DEED).

Food purchased from this grant must be:

- **Raised or produced (including harvested foods), aggregated, stored, processed, and distributed in the locality or region where the final product will be consumed.** For Alaska, the definition of local is within the State of Alaska and her territorial waters.
- **In a minimally processed state**, meaning foods that have not been significantly processed or with additional additives from its original state. Examples of unallowable products would include baked goods such as breads, muffins, or crackers; prepackaged sandwiches or meals; other prepared and/or pre-cooked items that come ready-to-eat or that require no further preparation beyond heating (e.g. chicken nuggets, fish sticks, pre-made pizzas, etc.).

This grant may be used for the following:

- Minimally processed local foods
- Transportation costs

Grant funds may not be used for expenditures other than those explicitly stated above and specifically may not be used for:

- Administrative costs
- Indirect cost
- Processing

About the FY2026 Award and Disbursement Schedule

Available funds are distributed to eligible local education agencies (LEA) based upon geographic, access to Alaska’s highway system, and LEA-wide population in National School Lunch Program (NSLP) participating schools as for October 2024. To ensure that small LEAs are not disadvantaged, all LEA enrollment counts were adjusted by adding 1,810 students to the enrollment. The adjusted enrollment was multiplied by the regional multiplier.

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| Region | Multiplier |
|----------------------------|------------|
| Gulf Coast Roadless | 1.4 |
| Gulf Coast Road system | 1.3 |
| Interior Roadless | 4.2 |
| Interior Road system | 1.1 |
| Northern Roadless | 3.7 |
| Northwest Roadless | 2.3 |
| Southcentral Road system | 1.0 |
| Southeast Roadless | 1.4 |
| Southwest Roadless | 3.1 |
| Western Roadless | 2.8 |

DCRA Community Database: <https://dcra-cdo-dcced.opendata.arcgis.com/>

Region and road access are determined based upon the street address of the LEA’s main office, as reported to the Alaska Department of Education and Early Development (DEED). Region and road system data was obtained from the Division of Community and Regional Affairs. Regional multipliers were based on food cost per student data obtained from each region.

Example: Alaska Gateway SD, enrollment 324

| | |
|------------------------------------|--------------|
| Base enrollment: | 324 |
| <u>Adjustment:</u> | <u>1,810</u> |
| Adjusted base: | 2,134 |
| <u>Multiplier (Interior, Road)</u> | <u>× 1.1</u> |
| Adjusted Enrollment | 2,348 |

The adjusted enrollments of all eligible LEAs are aggregated and the funds for each LEA are awarded by multiplying available funds by the factional total adjusted enrollment of each LEA.

Eligibility: All school districts, including Mount Edgecumbe High School, are eligible to receive LFS funds in the first quarter. To remain eligible for subsequent quarters, schools must have accepted funds in each of the previous quarters and have spent some or all of the available funds.

Period of Performance: The Period of Performance for each quarter shall begin on July 1, 2025, and end on the specified date. This means that LEAs that overspend their award in one quarter that receive sufficient award in a subsequent quarter may use funds from the subsequent quarter to pay invoices that were not reimbursed in the prior quarter.

Continued

Schedule

All periods of performance begin on 07/01/2025.

| Quarter | Sign attestation by | End of Period of Performance | Closeout Date | Funds Disbursed |
|---------|---------------------|------------------------------|---------------|--------------------------|
| 1 | 08/31/2025 | 09/30/2025 | 10/31/2025 | 70% of LFS funds |
| 2 | 09/30/2025 | 12/31/2025 | 01/31/2026 | 30% of LFS + declined Q1 |
| 3 | 12/31/2025 | 03/31/2026 | 04/30/2026 | Declined Q2 + unspent Q1 |
| 4 | 3/31/2026 | 05/31/2026 | 06/30/2026 | Declined Q3 + unspent Q2 |

No extensions to the periods of performance or closeout dates are possible

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Tentative Award Amount

LEA: Craig City SD Estimated Award: 741.55

Quarter: 2026 Q 2 Period of performance will begin: 12/01/25, and ends 03/31/26


This attestation must be accepted and signed no later than 12/31/25, at 5:00 p.m. prevailing Alaska time.

Attestation

I Melinda Bass, a duly authorized representative of, Craig City SD (local education agency—LEA), attest that LEA intends to use these Local Foods for Schools (LFS) funds to the maximum extent practicable and that LEA has read and reviewed the grant goal and guidelines included in this document. I further acknowledge that this attestation serves as a notice of intent and is not a legally binding document and that grant terms and conditions shall be issued in the Grant Award Notice (GAN).

Accept or Decline: LEA Accepts this award.

Authorized Representative: Melinda Bass

Signature:  Date: 12/6/2025